

UNITED STATES DEPARTMENT OF AGRICULTURE

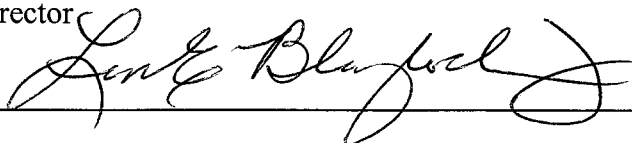
Farm Service Agency
Room 3416, 700 West Capitol Avenue
Little Rock, Arkansas 72201

AR NOTICE SP-2

For: All FSA County Offices

**Providing Informational Publications
to Trade Adjustment Assistance (TAA) Applicants**

Approved by: State Executive Director



1 Overview

A Background

The Arkansas STO in cooperation with other State Offices have developed a Question and Answer (Q and A) form to help our producers better understand the TAA program as it relates to catfish.

Producers who apply for TAA benefits are required to receive mandatory technical assistance from the Cooperative State Research, Education, and Extension Service (CSREES) at no cost within 180 calendar days after the certification date of the petition.

B Purpose

This notice provides a TAA Q and A (Exhibit 1) and a handout providing the dates, times and locations of the required CSRESS meetings (Exhibit 2) that will be held in Arkansas.

2 Action

A County Office Responsibilities

County Offices shall locally print the TAA Q and A (Exhibit 1) and the announcement for the CSRESS Technical Assistance Meetings (Exhibit 2) and provide a copy of each exhibit to all producers who sign-up to participate in the TAA program, and to those producers who show an interest in the program.

Disposal Date

08/05/2004

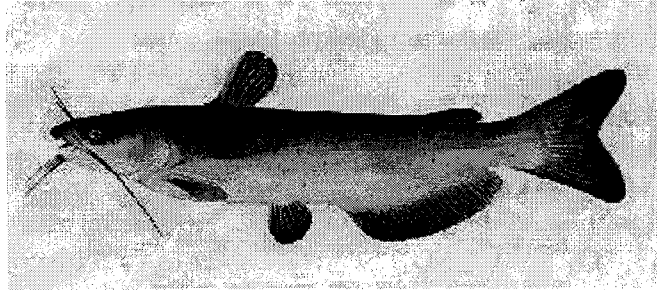
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Distribution

All County Offices

Arkansas Farm Service Agency Trade Adjustment Assistance: Catfish

November 2003



The United States Department of Agriculture approved Arkansas commercial catfish producers to receive cash benefits under the new Trade Adjustment Assistance (TAA) program. Applications for this program are being accepted by the Farm Service Agency. Under the law \$90 million has been set aside for each fiscal year from 2004 through 2007 for TAA for catfish and all other eligible crops. The cash benefit amount all fishers and farmers receive will be prorated based on the number of applications received.

Q: What is the Trade Adjustment Assistance (TAA) program for catfish?

A: The TAA program will provide technical assistance and cash benefits to eligible catfish producers in recognition that increased imports have “contributed importantly” to a decline in prices. The Farm Service Agency (FSA) in cooperation with Foreign Agricultural Service (FAS) will administer the program for USDA, and the USDA Cooperative State Research, Education, and Extension Service (CSREES) will offer technical assistance programs.

Q: How do I know if I am eligible for TAA assistance?

A: You must be able to provide documentation that you were engaged in commercial catfish production during the 2002 marketing year. You must have marketed your production in one of the following approved states: Alabama, Arkansas, Florida, Georgia, Idaho, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Nevada, Ohio, Oklahoma, South Carolina, Texas or Utah. Your production must be edible and for human consumption. You must also present documentation that your net income from fishing has declined over the prior year and that your 3-year average adjusted gross income was below \$2.5 million.

Q: Am I eligible for TAA if I had a permit but did not market fish in 2002?

A: To be eligible for payments you must have marketed fish commercially in both 2001 and 2002.

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Phone – 501-301-3050 Fax – 501-301-3088

Q: How are payments calculated?

A: The most any applicant can receive in a year cannot exceed \$10,000. Individual cash benefits are calculated by taking 80 % of the national 5-year average price and then subtracting the current market year price set for catfish. The resulting dollar amount is then divided in half. That new amount is what will be used when multiplied by the number of pounds of catfish sold to arrive at the maximum cash benefit for each fiscal year. Your maximum cash benefit may be adjusted based on the total number of people nationwide who are eligible to receive TAA benefits.

Q: How soon can I expect to receive my payment?

A: That is difficult to project at this time. It is expected, based on the number of potential applicants, that the earliest anyone might expect to receive TAA benefits is mid-2004.

Q: Are TAA payments based on the year of production or the year of marketing?

A: TAA payments are based on the year the commodity was marketed. For example, wild blueberries produced in 2001, but marketed in 2002, are eligible for TAA if the applicant's documentation indicates marketing in 2002?

Q: Are TAA payments based on the State of production or State where marketed?

A: TAA payments are available for approved commodities if marketed in the approved State. Eligible commodities produced outside the approved State, but marketed in the approved State, are eligible for TAA payments.

Q: Can producers who barter or gift fish or other commodities request TAA payment for such bartered commodity?

A: No. Gift or barter does not demonstrate marketing of the commodity or evidence of income. Eligible commodities must be sold for cash to be considered as marketed for eligibility for TAA payment. However, payment applicants who are determined ineligible because of bartering or gifting the eligible commodity may receive technical assistance training and must complete FSA-229 within the 90 calendar day application period.

Q: To what crop year does the counter-cyclical payment limitation apply for TAA payments?

A: The \$65,000 limitation applies to the crop year the commodity was marketed. TAA payments are approved for the year a commodity was marketed, and are made without regard to the year of production, the year of the TAA request, or the year when the TAA payment occurs. **Example:** If an applicant applies for TAA benefits during fiscal year 2004 based upon a loss of income on a 2002 crop, County Offices shall apply the \$65,000 limitation based upon TAA and DCP received for the 2002 crop year.

Q: Is eligibility for catfish, shrimp, or salmon TAA payments limited to only wild catch?

A: No. The method of production, or method of catch, are not eligibility factors. Thus, pond raised catfish and shrimp, or trap-raised salmon, or wild catch salmon are eligible in approved States.

Q: For the purpose of TAA eligibility, is net fishing income defined as the net income from only the approved commodity, such as salmon or shrimp, or does it include net income from non-TAA eligible catch, such as flounder, etc.?

A: Net fishing income includes income from all catch and is not limited to the net income from the TAA approved catch. Net fishing income is the net profit or loss reported on IRS Schedules C or C-EZ. For example a Georgian shrimper who derives income from both shrimp and flounder would provide a net income certification for the entire fishing enterprise, not merely the net income from only the shrimp activities.

Q: Will FSA provide a "Determination of Entitlement" to approved TAA applicants for their use in applying for Department of Labor (DOL) benefits?

A: When FSA-229 has been approved by the County Committee or designee, based on the applicant have been fully certified and eligible for TAA payments or benefits, the County Office shall provide a photocopy of the approved FSA-229 to the applicant to use in applying for any DOL benefit. DOL has agreed to accept this form from the produce as evidence of payment eligibility from FSA.

Q: Are catfish fingerling eligible for TAA?

A: No. The petition approving payment for catfish was approved for full sized catfish. Also, payments for fingerlings would result in a double payment on the same fish.

Q: How can I get more information?

A: You can contact your local FSA office or check the web page at:

<http://www.fas.usda.gov/itp/taa/taaindex.htm> - FAS website

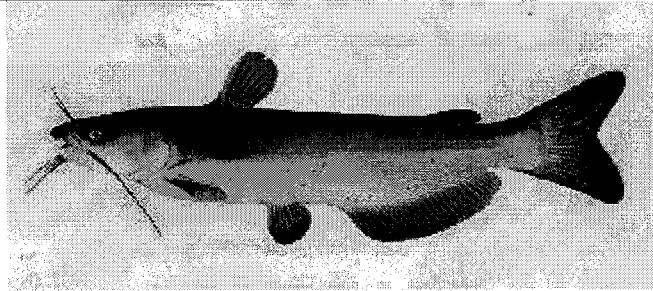
<http://www.fsa.usda.gov/ar/aboutus/COF.htm> - Arkansas FSA website for County Offices

<http://www.fsa.usda.gov/ar/Programs/PS/CatfishTAA.htm> -Arkansas State FSA TAA website

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Arkansas Farm Service Agency Trade Adjustment Assistance: Catfish

February 2004



USDA has approved Arkansas catfish producers to receive cash benefits under the new Trade Adjustment Assistance (TAA) program.

Applications for this program are being accepted by the Farm Service Agency. Producers have until February 17, 2004 to apply.

You may obtain application form FSA-229 from the local Farm Service Agency or from the internet, at http://forms.sc.egov.usda.gov/efrms/Forms/FSA0299_030923V01.pdf

To be eligible for benefits under the USDA Trade Adjustment Assistance Program, catfish producers apply by February 17, 2004, and then receive technical assistance through the Cooperative Extension Service.

Catfish Producer Technical Assistance Meetings

Plan to attend one of the following workshops:

March 23, 2004 – Lake Village

In Lake Village, Arkansas, 9:30 a.m. at the Chicot County Extension Service, Conference Room. For more information contact Larry Dorman, at (870) 265-8055 or (870) 489-1115.

March 25, 2004 – Newport

In Newport, Arkansas, 9:30 a.m. at ASU-Newport, Center for the Arts. For more information contact George Selden, at (870) 512-7837 or (870) 540-7805.

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